

AOT in Action

A Message from Director Sherry Henry:

Welcome to AOT in Action, your weekly e-newsletter from the Arizona Office of Tourism (AOT).

Good afternoon,

We would like to congratulate the Yuma Convention and Visitors Bureau (CVB) for the success of its callout-blitz campaign, "The Bus Stops Here"!

On Friday, more than 100 volunteers joined Yuma CVB representatives for eight hours of calling nationwide and international tour operators and group leaders to encourage them to include Yuma on their travel itineraries. This creative program included volunteers from the region's medical field as well as community representatives such as Yuma's mayor and city council members. Our agency also lent a hand in the effort!

At the end of the day, more than 360 tour operators and group leaders asked for information on Yuma as a travel destination. Job well done! This was a great way to bring awareness to Yuma's tourist offerings and how visitors can experience it as a vibrant travel destination.

For more information about the campaign, please read the **AOT News** section below.

Have a great week.			

AOT News

Yuma's Callout-Blitz Campaign Deemed a Success!

On October 15th more than 100 volunteers called an estimated 2,010 tour bus companies across the United States and internationally to promote Yuma as a dynamic tourist destination. Representatives from AOT also joined in on the efforts.

"When a tour operator chooses Yuma as a destination, it injects thousands of dollars to our bottom line. Fifty people at a time are eating in our restaurants, visiting local attractions and staying in a hotel. This one-day sales blitz could significantly impact our ability to book tour groups for 2010-2011," said Susan Sternitzke, interim executive director for the Yuma Convention and Visitors Bureau (CVB).

The grassroots effort, with strong support from community volunteers and businesses called both domestic and international tour bus companies and group leaders informing them of all the new tours available in the Yuma area including such tours at agricultural-tours; military; nature; and history & heritage related tours.

"The bottom line is that when the bus stops here, the buck stops here. It's time for Yuma to be on tour operator's radar," continued Sternitzke.

After eight hours of phone calls, more than 360 tour operators and group leaders asked for more information on Yuma to include in their travel itineraries. For more information about the campaign, please contact the Yuma CVB at 928-376-0100.

Upcoming Events & Activities

Arizona Media Marketplace

Date: October 28, 2010

Location: Phoenix/Scottsdale, AZ

Travel Classics West

Date: October 28 – 31, 2010 Location: Phoenix/ Scottsdale, AZ

In the HeART of Arizona Press Trip

Date: October 31 - November 5, 2010

Location: Camp Verde, Sedona, Jerome and Scottsdale AZ

Arizona Centennial News

Arizona Centennial Copper Chopper to be Unveiled at State Fair!

Join us as Governor Jan Brewer and renowned custom motorcycle builder Paul Yaffe unveil the Arizona Centennial Copper Chopper to the state!

The Arizona Centennial Copper Chopper will serve as a mascot to Arizona's Centennial Celebrations promoting the many exciting events and projects set to take place for our state's 100th anniversary of statehood. The copper chopper was designed by Arizona resident Paul Yaffe, one of the most respected and well-known custom motorcycle designers in the world.

After the chopper is unveiled, it will be hitting the open road for the next 17 months promoting the Arizona Centennial as well as bringing awareness to Arizona's vibrant history and diverse culture. It will also serve as an exhibit for motorcycle safety and education as well as Arizona history.

Attendees to any stop on the chopper's tour can purchase a \$5 drawing ticket to enter to win the chopper as well as many other amazing prizes.

The unveiling will be **Saturday, October 23rd**, 2010 from 5:00 – 5:10 p.m. at the Arizona State Fairgrounds - Arizona Lottery Backyard - North Stage. There will be a custom bike show immediately following the unveiling. For more information, please contact Mandi Wimmer at 602-364-3723 or via e-mail at mwimmer@arizona100.org.

Industry News

Travelers Use Smart Phones To Book Hotels - After They Arrive

According to ehotelier smaller phones and more portable and powerful PCs are changing the definition of last minute in the travel industry. Just ask Priceline.com.

In its first study of the users of iPhone and iPad booking applications, the online travel agency found that most users - 82% - are confirming their hotels within a day of arriving in a new city. Among those still tethered to the desktop or laptops, only 45% dared to wait that long. More than a third of Priceline's mobile device users were within a mile of the property at the time of the reservation, suggesting they did a drive-by before deciding to check in.

The travel industry is in flux. Once again, new technology is delivering new opportunities, as well as risks and challenges.

Priceline spokesman Brian Ek says the company doesn't know what that new breed of traveler will mean for hotels and online travel agencies. Priceline wasn't drawing too many conclusions from its limited data set. But, Ek said, "It's something travel marketers might want to put on their radar screens."

To be sure, the mobile bookers are a small subset of the overall pool of online travel shoppers and buyers. But as smart phone and tablet computer penetration increases, so too will their numbers, experts say. (Marketing & Tourism Trends, October 14)

U.S. Inbound Travel Reaches Priority Status

With millions of jobs possibly on the line, it's time for the U.S. to get serious about attracting visitors from other countries. And while the Travel Promotion Act that was passed earlier this year is a big step forward, says HotelNewsNow, panelists at the International Society of Hospitality Consultants' annual convention said there's still much to be done.

Part of the solution is the creation of the President's Export Council that serves President Obama and includes Richard Friedman, an hotelier from Massachusetts. Another part is the creation of a travel promotion board that serves under the Export Council's umbrella and includes Caroline Beteta, president and CEO of the California Travel and Tourism Commission.

"Tourism is actually responsible for 6.2% of our (gross domestic product), which means we bring people here, they leave their money here, then they go home," said moderator Rick Swig of San Francisco-based RSBA & Associates. "But the U.S. has never had an active marketing or solicitation activity related to attracting international tourism, and given the imbalance of trade and our deficits, every dollar is going to help, and that's why Mr. Friedman's position on the Export Council is really so critical."

Friedman, who has long-standing ties with President Bill and Hillary Clinton and other high-ranking Democrats, said he knows the situation for incoming international tourists is dire and hopes the Export Council can help bring things in line.

"There is no question, it's a mess," said Friedman, who also serves as president and CEO of Carpenter & Company. "It is not an unsolvable problem. There's no question that the left hand doesn't know what the right hand is doing." (Marketing & Tourism Trends, October 14)

Hotel Rates Rise As More People Travel

Wave rock-bottom hotel prices goodbye says USA Today. Signs of escalating room rates are emerging as more people are traveling.

Marriott, an industry bellwether, said this week that its rates in the second quarter rose for the first time in two years. Travelocity says rates of rooms in the nation's 20 largest markets booked on its travel site for fall - from Sept. 7 to Nov. 19 - are 3.5% higher than a year ago.

Smith Travel Research, which tracks the hotel industry, found average rates in the top 25 U.S. markets up 3.5% in August.

Last year was dreadful for the industry as people stayed at home. While hotel operators have been optimistic that customers would trickle back this year, they expected room rates to lag.

But rates are rising as demand for rooms has grown. The number of rooms sold in the U.S. rose 8.3% in August vs. a 7.4% year-to-date average, says Smith Travel Research.

"Many seem to wonder if the economic recovery has any strength and if there is a risk of a double dip," says Arne Sorenson, Marriott's president. "There's nothing in our business that indicates this. Business and leisure travel are strong."

An increase in business and vacation travelers means hotel discounts will be harder to find. (Marketing & Tourism Trends, October 14)

Taxes on Hotel Rooms Rising

More cities, counties and states are looking to raise taxes on hotel rooms as they battle budget shortfalls and cuts in services. Among those increasing taxes or considering it: Baltimore; Scottsdale, Ariz.; Santa Clara, Calif.; and Connecticut.

Taxing visitors is an old habit for local governments says USA Today. Revenue from taxes on hotel rooms and rental cars have been used to fund tourism promotion, build stadiums and repair roads.

While the taxes can infuriate travelers, they're seen as a politically palatable option in tough economic times.

"The government entities are hurting financially and are looking for creative means to generate more revenue," says Trisha Pugal, CEO of Wisconsin Innkeepers Association.

A report by the National Business Travel Association last year says taxes for a single night at the national average room rate of \$95.61 were \$13.12. The combined lodging taxes levied by state, county and city averaged 13.73%. Tax rates ranged from 10.05% in Burbank, Calif., to 17.91% in New York.

The lower end, below \$11 a night in tax, includes Burbank, Detroit, Fort Lauderdale, Oakland and San Jose. Columbus, Dallas, Houston, Kansas City, Nashville, New York and San Antonio are on the higher end, above \$16. (Marketing & Tourism Trends, October 14)

Survey: Facebook Brand Pages Pay Off

A new six-country survey from DDB reveals that Facebook users who like a brand's page on the social networking site use its products regularly or occasionally and, after following the brand on Facebook, more than a third of the respondents "want to buy this brand's product more."

Brand page fans on Facebook also feel comfortable recommending the brand to friends, with 49 percent of the respondents saying they would "certainly" do so and 43 percent saying they "probably" would. Collectively, that's a whopping 92 percent who qualify as brand advocates -- a figure that staggered survey leader Catherine Lautier.

"I was expecting [brand page likers to be] a lot more benefits orientated versus, 'I'm joining because I actively want to recommend it to friends,'" said Lautier, director of business intelligence at DDB France in Paris. "I thought it would be a lot more passive than that."

The "Facebook and Brands" survey -- which DDB shared first with <u>Adweek</u> -- polled more than 1,600 Facebook users in the U.S., U.K., Italy, France, Australia and Chile that were already connected to brand pages. The polling took place online between Aug. 27 and Sept. 27. (Marketing & Tourism Trends, October 14)

Survey: 1 in 5 Value Good Service Over Good Food

While no one sets out to find a restaurant with bad food, one in five Americans actually say they value good service over good food, according to a first-quarter survey of 13,000 U.S. and

Canadian consumers conducted by Empathica, a customer experience management programs provider for restaurants, banks and retailers.

However, reports Marketing Daily, 55% of Americans think that restaurant service is getting worse (32% do not think service is deteriorating, and 13% aren't sure). Furthermore, one in four Americans says they would tell others not to go to a restaurant where they had received poor service (in addition to never going there again themselves).

Results of the survey, which probed consumers' spending habits and attitudes, were weighted to reflect the latest U.S. and Canadian census distributions, including region, gender, age and income.

On the spending front, the survey confirmed significant differences between men and women.

One in five women indicated that they "never" eat at restaurants, versus just one in 10 men. Also, 48% of women -- compared to 40% of men -- said that a coupon would be the best way to motivate them to try a new restaurant.

Nearly two-thirds (63%) of respondents said they are eating at home more often now than in the past. Furthermore, when asked how many times per week they eat at restaurants, 41% of total respondents said just once per week, and 18% said not at all.

However, 68% said they are just as loyal to their favorite restaurants now as in the past, and 15% said their loyalty had increased. (Marketing & Tourism Trends, October 14)

STR: Economy ADR Performance Falls Short

The economy segment is the only one of the seven chain-scale segments to report a decrease in any of the three key performance metrics for the week ending 9 October 2010, according to data from STR.

The segment's average daily rate fell 0.3% to US\$50.89. However, the economy segment did end the week with the largest occupancy increase, rising 7.3% to 55.8%.

Overall, the industry's occupancy increased 6.5% to 63.6%, ADR was up 2.2% to US\$101.58, and revenue per available room ended the week up 8.8% to US\$64.62.

Among the chain-scale segments, the luxury segment reported the only ADR increase of more than 5%, rising 7.7% to US\$261.43. The segment also experienced the largest RevPAR increase, rising 13.8% to US\$190.93.

Among the top 25 markets, 21 reported occupancy increases for the week. Four markets achieved occupancy increases of more than 15%: Dallas, Texas (+19.3% to 62.7%); New Orleans, Louisiana (+18.7% to 75.7%); Detroit, Michigan (+15.8% to 59.7%); and Atlanta, Georgia (+15.8% to 64.1%). St. Louis, Missouri-Illinois, fell 4.4% in occupancy to 60.8%, reporting the largest decrease in that metric.

Atlanta experienced the largest ADR increase, rising 10.8% to US\$94.64. Denver (-3.4% to US\$99.13) and St. Louis (-3.4% to US\$82.31) reported the largest ADR decreases for the week.

Five markets posted RevPAR increases of more than 15%: New Orleans (+29.3% to US\$97.52); Atlanta (+28.4% to US\$60.71); Dallas (+19.8% to US\$55.86); Miami-Hialeah, Florida (+17.9% to US\$93.06); and Orlando, Florida (+15.7% to US\$58.16). (HotelNewsNow.com, October 14)

Calendar of Events

Visit <u>www.ArizonaGuide.com</u> to find information on all the exciting <u>events</u>, <u>festivals and activities</u> held throughout the Grand Canyon State!

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